

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY

IN RE: . Case No. 21-15113-VFP  
. .  
SUPPORTIVE HEALTH LLC, . M.L.K. Federal Building  
. 50 Walnut Street, 3rd Floor  
. Newark, NJ 07102  
Debtor. .  
. December 7, 2021  
. . . . . 11:19 a.m.

TRANSCRIPT OF MOTION TO DISMISS CASE AND  
MOTION FOR TURNOVER OF PROPERTY

BEFORE HONORABLE VINCENT F. PAPALIA  
UNITED STATES BANKRUPTCY COURT JUDGE

APPEARANCES:

For the Debtor: By: CARLINE BOLIVAR, Pro Se  
85 Sycamore Road  
Jersey City, NJ 07305  
  
For the Creditor, Becker LLC  
Eric Raymond Perkins: By: JUSTIN BAUMGARTNER, ESQ.  
354 Eisenhower Parkway, Suite 1500  
Livingston, NJ 07039  
  
For the Creditor, City of Milwaukee  
Cit of Milwaukee: By: HANNAH JAHN, ESQ.  
Assistant Attorney  
City Hall, Room 800  
200 East Wells Street  
Milwaukee, WI, 53202  
  
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1 THE COURT: Six, seven and eight, Supportive Health  
2 LLC, 21-15113. There's a motion to dismiss, a motion by the  
3 debtor's principal. There's a motion for turnover by the  
4 Trustee, and there's an objection, and then there's also a  
5 cross motion by Supportive Health to vacate an order shortening  
6 time and staying proceedings until really today, so that's kind  
7 of moot. So, can I have appearances, please?

8 MR. BAUMGARTNER: Good morning, Your Honor, Justin  
9 Baumgartner, on behalf of the Chapter 7 Trustee.

10 THE COURT: Good morning.

11 MS. JAHN: Good morning, Your Honor. This is Hannah  
12 Jahn, Assistant to the Attorney for the City of Milwaukee.

13 THE COURT: Okay. Good morning.

14 MS. BOLIVAR: Good morning, Your Honor. My name is  
15 Carline Bolivar. I filed a motion as a creditor of Supportive  
16 Health LLC, and I'm also the sole member and principal of  
17 Supportive Health LLC.

18 THE COURT: Okay.

19 MS. BOLIVAR: I'm a creditor by way of \$366,000  
20 capital that I invested in Supportive Health LLC. That  
21 investment is documented in the operating agreement that I  
22 submitted to the Court in my motion to dismiss.

23 THE COURT: Okay. Just so you understand, and this  
24 is part of the reason why it's good to have counsel, is that  
25 what you just said demonstrates that you are a equity holder or

1 a member owner of the LLC and not a creditor. Okay?

2           There's a big difference between equity and ownership  
3 status and being a creditor. You correctly identified yourself  
4 as the owner of the equity pursuant to the operating agreement,  
5 assuming that's the latest operating agreement, but it did not  
6 -- did not correctly identify yourself as a creditor, based on  
7 what I know.

8           I haven't seen any other evidence of indebtedness,  
9 but, in any event, we have a motion to dismiss the case by Ms.  
10 Bolivar and the cross motion by Ms. Bolivar to vacate an order  
11 shortening time, which is really moot, and stay the motion  
12 until the Court decides the motion to dismiss, which is all  
13 going to be decided today.

14           So, those -- that's really moot and that's taken care  
15 of, so it makes sense to me to deal with the motion to dismiss  
16 first, because if we -- if the case is dismissed, then there's  
17 no turnover, but if not, then there would be, then we'll go  
18 forward with the turnover motion.

19           So, Ms. Bolivar, I see that you indicate that you  
20 want the case dismissed, essentially because the filing was  
21 unauthorized. Is that correct? You didn't authorize the  
22 filing?

23           MS. BOLIVAR: Yes, Your Honor.

24           THE COURT: That's the principal -- or is it -- is  
25 there another ground -- well, the other ground is that there

1 are other assets available to pay creditors, right?

2 MS. BOLIVAR: No, Your Honor.

3 THE COURT: I'm sorry?

4 MS. BOLIVAR: I filed a motion to dismiss the  
5 bankruptcy as the bankruptcy is void ab initio. The motion to  
6 stay and the motion to vacate the order shortening time are all  
7 dependent on the motion to dismiss, Your Honor.

8 THE COURT: Okay. All right. So, then I see that  
9 the -- you know, the trustee takes issue with many of your --  
10 many of your statements, but I -- myself, I'm going to look at  
11 -- let's see. One second here. I don't know. Where is it  
12 now? Okay.

13 Now, this case was filed back in June of 2021 by --  
14 purportedly by this Lento Law Firm, and then what happened was  
15 it was discovered that Mr. Perrault, who has the same address  
16 as you, Ms. Bolivar, was filing the papers using their  
17 credentials without their authorization. That's why they  
18 withdrew, and that was back in August, and on August 18th, you  
19 wrote to the Court and an email that was delivered before the  
20 hearing, which I don't believe you attended, on August 19th at  
21 8:45.

22 You said Supportive Health LLC has been made aware  
23 that its bankruptcy filing is in jeopardy of being dismissed  
24 because of effective -- ineffective counsel. Given the time --  
25 the money and time that Supportive Health has already invested

1 towards the bankruptcy, it would not be just to dismiss the  
2 bankruptcy without giving Supportive Health an opportunity to  
3 be represented by competent counsel, and then you say you want  
4 30 more days to retain new counsel. That doesn't sound like  
5 the bankruptcy was unauthorized, Ms. Bolivar.

6 MS. BOLIVAR: It was never authorized, Your Honor. I  
7 never signed anything about -- in this.

8 THE COURT: No, no. But you can say that to me that  
9 you -- that you can say that to me, but what is in the record  
10 and before the Court is what you also said to me in August,  
11 when you didn't want the case dismissed and you spent a lot of  
12 time and money invested in the bankruptcy. Isn't that  
13 contradictory, at least?

14 MS. BOLIVAR: I did not sign that letter, Your Honor.

15 THE COURT: The letter came from you. It says,  
16 Sincerely, Carline Bolivar, from the same email address and  
17 then, Ms. Bolivar, your --

18 MS. BOLIVAR: (Indiscernible).

19 THE COURT: -- your papers are devoid, conspicuously  
20 devoid of any message -- any mention of Mr. Perrault. What  
21 about all the things that he did?

22 MS. BOLIVAR: So, Your Honor, the motion to dismiss  
23 mention everything.

24 THE COURT: No. It does not. It doesn't mention Mr.  
25 Perrault.

1 MS. BOLIVAR: Yes, it mention Mr. Perrault.

2 THE COURT: Well, what -- did you say to Mr. Perrault  
3 is not -- does not live in the same address as you?

4 MS. BOLIVAR: (No audible response).

5 THE COURT: Does it say that Mr. Perrault wasn't the  
6 one that transferred these properties into Supportive for no  
7 consideration? Does it address those issues at all?

8 MS. BOLIVAR: It mention -- my motion to dismiss says  
9 (indiscernible) Mr. Perrault.

10 THE COURT: Yes, I know.

11 MS. BOLIVAR: Mr. --

12 THE COURT: Yes, that's -- that's okay. That's a --  
13 I understand, but that doesn't answer my question. Then on --  
14 then on October 13th, you wrote to the Court again, and in that  
15 letter you said the case was initially filed as a Chapter 11  
16 bankruptcy to give Supportive Health LLC an opportunity to  
17 restructure its debt.

18 MS. BOLIVAR: Your Honor, my phone is dying. I have  
19 to switch to another phone.

20 THE COURT: Okay.

21 (Pause)

22 MS. BOLIVAR: Yes, Your Honor.

23 THE COURT: Yes. So, on October 13th you wrote to  
24 the Court again, as I said. I think I -- I think you've heard  
25 this already, but it says this case was initially filed as a

1 Chapter 11 bankruptcy to give Supportive Health an opportunity  
2 to restructure its debt. That doesn't sound like it was an  
3 unauthorized filing either.

4 And then you said to me -- I said to you that you  
5 said Supportive Health has other assets and if I'm -- and to  
6 pay the debt that's owed, and the sentence is, the bankruptcy  
7 -- the information used by the Chapter 7 bankruptcy is flawed.  
8 Supportive Health has -- LLC has assets. Supportive Health LLC  
9 has funds to pay the debt owed, and you say the same thing in  
10 your certification, essentially, but there's no support for any  
11 of that, except for the other asset, the other property that  
12 wasn't disclosed.

13 MS. BOLIVAR: Your Honor, the bankruptcy was not  
14 filed by an attorney. The attorney of record, Mr. Joseph  
15 Lento, advises that his credential was stolen, and that all of  
16 the petition and all of the schedules were filed by a lone  
17 attorney, Mr. Perrault Jean-Paul.

18 THE COURT: Right. But now what -- see, this is what  
19 I'm concerned about, right? This is what I'm concerned about,  
20 Ms. Bolivar. I am concerned that the proceeding was adversely  
21 impacted by the improper conduct of Mr. Perrault, who -- which  
22 has not been denied ever by Mr. Perrault, who I emphasize is at  
23 your same address and is the one who transferred these two  
24 properties, which are, apparently, the only principal assets of  
25 this LLC, into the LLC for no consideration, and he's also on

1 the lease, and there's no mention of Mr. Perrault.

2           So, from these papers, it is easy for me to infer, if  
3 not find, that the bankruptcy was very directly and  
4 intentionally authorized and was not just by Mr. Perrault's  
5 words, but by yours, and that the scheme was uncovered, and now  
6 that the scheme was uncovered, it's being used as a reason to  
7 dismiss the bankruptcy, and I don't -- I'm not going to allow  
8 that in my courthouse. I -- in my court room. I will consider  
9 evidence that is appropriate evidence, but without anything  
10 from Mr. Perrault and just your certifications that directly  
11 contradict your letters and directly contradict what has  
12 happened in the case to date but are consistent with a pattern  
13 of delay that has been prevalent in these case -- in these  
14 proceedings with the City of Milwaukee since 2016, I have no  
15 basis to dismiss this case right now. I have basis to continue  
16 it. I have -- my concerns are highlighted by what I have --  
17 are heightened not highlighted, are heightened by what I'm  
18 hearing and what I'm being told.

19           MS. BOLIVAR: Your Honor -- sorry about that. Your  
20 Honor, (indiscernible) to file document, resolution to file  
21 Chapter 11 Subchapter V, reorganization is not mine. If the  
22 Court compares that signature to the signature on any of my  
23 signed or on my U.S. passport, which I sent a copy to Mr. Juan.

24           THE COURT: Yes, I got -- I have --

25           MS. BOLIVAR: Your Honor --



1 THE COURT: I have the passport. It's -- I have the  
2 passport, but I still don't have anything from Mr. Perrault,  
3 and I don't have anything about the relationship between you  
4 and Mr. Perrault and whether you authorized Mr. Perrault and  
5 that was what you intended to do as is evidenced by these  
6 letters, and then when it went bad, you decided to change  
7 course.

8 MS. BOLIVAR: The principal and sole member of  
9 Supportive Health never authorized the filing, Your Honor.

10 THE COURT: Well --

11 MS. BOLIVAR: Signed any of the documents of the  
12 filing and created the resolution to file bankruptcy.

13 THE COURT: Well, how about --

14 MS. BOLIVAR: -- (indiscernible) --

15 THE COURT: Then why did you tell --

16 MS. BOLIVAR: -- (indiscernible) --

17 THE COURT: Why did you tell me on October 18th that  
18 the case was filed as a Chapter 11 bankruptcy to give  
19 Supportive Health an opportunity to restructure its debt?

20 MS. BOLIVAR: I did not write the letter.

21 THE COURT: No. Okay, but the letter is from you.  
22 It's signed by you and then in August you did -- it's the same  
23 thing, and so then now it seems like the delay is being taken  
24 advantage of again and then dismissed so everybody has to start  
25 all over again.

1 I'll hear from -- I understand your arguments. You  
2 can tell that I'm not very convinced by them, but I'll hear  
3 from any other party that wants to be heard now. Probably the  
4 trustee and the City of Milwaukee.

5 MR. BAUMGARTNER: Thank you, Your Honor. This is  
6 Justin Baumgartner for the Trustee. I would just sum up. All  
7 this fraud or most of this fraud occurred before the Chapter 7  
8 Trustee before we even got appointed in this case.

9 Mr. Perrault Jean-Paul impersonated an officer of  
10 this court, for electronic filing privileges and then filed  
11 various documents, and that's the whole reason this got to us  
12 in the first place, and then once it did get to us, we  
13 proceeded to do our job, and we've looked at the two properties  
14 for sale, we put insurance on them, and the Trustee paid for  
15 that.

16 So, we've already expended substantial efforts in  
17 this case based on, you know, the past -- what's happened. The  
18 past law of this case. So, we think there's no reason for this  
19 case to be dismissed. We think that it's a really -- a lot of  
20 bad faith and potentially fraudulent conduct on the part of the  
21 debtor's principal and definitely Mr. Perrault Jean-Paul and  
22 we'd like to proceed.

23 THE COURT: Okay. All right. Ms. Jahn?

24 MS. JAHN: Thank you, Your Honor. This is Hannah  
25 Jahn. The City of Milwaukee has been in good contact with the

1 Trustee, and we agree with their method of moving forward in  
2 this case. We believe that this case would best satisfy the  
3 interest of the City of Milwaukee in collecting its debts.

4 As you can see from the letter that the City filed  
5 with Mr. Baumgartner, the City has been unsuccessful in moving  
6 these cases forward in Milwaukee County Circuit Court despite  
7 our best efforts, and so it appears to me the bankruptcy case  
8 would be the best way to resolve these issues quickly.

9 THE COURT: All right. But, Ms. Jahn, so you're  
10 saying you're opposing the dismissal and want the case to  
11 continue in Chapter 7? Is that basically it?

12 MS. JAHN: That is correct, Your Honor.

13 THE COURT: And then I'm a little -- I know there is  
14 a tortured history, but I'm a little unclear on exactly where  
15 it stands, because it looks like you have a judgment for  
16 79,728, which includes interest at 4.5 percent, but Ms. Bolivar  
17 indicates that there has been a proceeding by Mr. Perrault to  
18 somehow vacate that judgment, or do you consider that --

19 MS. JAHN: Yes, Your Honor. So, the judgment that  
20 the City has is against Mr. Perrault Jean-Paul himself, and the  
21 way that Supportive Health got involved in the Milwaukee County  
22 case is, as stated in our letter, the City obtained the  
23 judgment against Mr. Jean-Paul, just a matter of like a few  
24 days or weeks after he transferred his property to Supportive  
25 Health in 2016.

1 And so in the 2017 collection matter, the City named  
2 both Mr. Perrault and Supportive Health as parties under the  
3 assumption that it was a fraudulent transfer for the purpose of  
4 avoiding paying the debts, and so we do not have a judgment  
5 against Supportive Health, per se. It's just that we believe  
6 that it's wrapped up in that fraudulent transfer, and so,  
7 therefore, they were included as a party in the 2017 lawsuit,  
8 which is --

9 THE COURT: And so, that -- is that the one where  
10 there is proceedings to -- I don't know. My question was is  
11 the judgment that you have just against Perrault Jean-Paul is  
12 79,000, is there a proceeding to vacate that or otherwise  
13 modify that or is that still in effect?

14 MS. JAHN: Technically, yes. For the 2016 case, the  
15 judgment is issued against Mr. Jean-Paul himself, and there's  
16 also a lien placed on the property. And when those properties  
17 were transferred via quitclaim, we believe the lien is still in  
18 place against those properties, even though they had  
19 transferred ownership. So, the 2016 case, Mr. Jean-Paul filed  
20 multiple motions to reopen, which were unsuccessful. Two  
21 different circuit court judges denied those motions to reopen.  
22 He did not appeal that case.

23 Instead, he's been active in the 2017 lawsuit, which  
24 is the City's collection case, in bringing up his defenses to  
25 collection in that matter, and then even while that case was

1 open, he filed a 2020 lawsuit against the City of Milwaukee  
2 essentially asking the Circuit Court to vacate the prior  
3 judgment, so we called that our collateral attack case.

4           It is a -- I mean, technically, it's possible in  
5 state law to do such a thing in certain circumstances, but the  
6 -- in the City's position that is a matter that is completely  
7 barred by claim preclusion, and so our motion to dismiss in  
8 that case is still pending.

9           So, yes, he is still -- Mr. Jean-Paul is still  
10 disputing the City's judgments, but from the City's  
11 perspective, it is a final judgment, and it's not -- it's not  
12 likely that -- from our position, that he's going to be  
13 successful in overturning that judgment.

14           THE COURT: Then what about this promissory note from  
15 Supportive Health in Jean-Paul Perrault? Is that still --

16           MS. JAHN: Your Honor, that was --

17           THE COURT: Is that still in effect?

18           MS. JAHN: That was -- I'm not personally aware of  
19 the status of that. I think that might be a better question  
20 for Ms. Bolivar, but the City's contract counsel who's handling  
21 the 2017 lawsuit did depose Mr. Jean-Paul, and that's what  
22 affects come regarding that -- regarding that promissory note.

23           And so at that time, it was presented to Mr. Jean-  
24 Paul that the dates didn't line up, and there was some question  
25 on the part of the City as to the veracity of that document,

1 but no court has yet made a finding as to that document. I  
2 don't know if that answered your question.

3 THE COURT: Yes. Okay. But, anyway, there's a  
4 promissory note for Supportive Health to provide 61,500 to Mr.  
5 -- \$61,500 to Mr. Jean-Paul for the purchase of the Eden Place  
6 property, but -- okay. But that's the property he also  
7 transferred to Supportive, so, all right. Ms. Bolivar, do you  
8 have any --

9 MS. JAHN: Your Honor, just quickly.

10 THE COURT: Go ahead. Go ahead. I'm sorry.

11 MS. JAHN: Oh, I'm sorry. I think -- and I don't  
12 want to testify, but I'm just trying to be helpful to the Court  
13 by providing the facts as we believe them, but I think relative  
14 to those issues would be the quitclaim deeds and the real  
15 estate transfer (indiscernible) that are attached to the City's  
16 letter. I mean, that indicates the buyer and seller of the  
17 property and how it was recorded as a -- the related party  
18 transfer.

19 THE COURT: Right. Right. Okay. Ms. -- do you say  
20 it Jan or John, or how do you pronounce that?

21 MS. JAHN: It's Jahn (pronouncing). It's like John  
22 with a Y.

23 THE COURT: Jahn. Oh, okay. So just -- I'm not sure  
24 why the letter came through the Trustee, but you're certainly  
25 welcome to file papers directly with the Court.

1 I know it was -- it says at the beginning of the  
2 letter to the -- it's to the Trustee and -- but it's to provide  
3 the Trustee and the Court with a background, but you could --  
4 you know, you can file papers directly, and I won't -- you  
5 know, I invite you to do so.

6 So, Ms. Bolivar, do you want to respond to any of  
7 that?

8 MS. BOLIVAR: Yes, Your Honor. So it's clear that  
9 the case must be dismissed, because Mr. Jean-Paul, he's not an  
10 attorney.

11 THE COURT: Well --

12 MS. BOLIVAR: Okay. Dismiss -- this bankruptcy was  
13 filed in bad faith, and it's unauthorized -- unauthorized by a  
14 third party. It wasn't authorized and not by me. I should not  
15 be penalized for that. I should not be penalized for it, Your  
16 Honor.

17 THE COURT: Well, okay. I guess you don't want to  
18 address that other than to say that you didn't sign those  
19 letters. You don't want to address those letters that you said  
20 the exact opposite.

21 MS. BOLIVAR: Your Honor, the case was not filed by  
22 an attorney.

23 THE COURT: Yes. You see, that's what I was trying  
24 to get at before, that it looks like there's an attempt to  
25 benefit from a fraud that was being perpetrated. All right.

1           This matter is before the Court on a motion filed by  
2 Ms. Carline Bolivar, the debtor's asserted principal and one  
3 hundred percent owner, to dismiss this case under 707(a) on the  
4 grounds that the filing was not properly authorized and was  
5 made by an unauthorized filer.

6           And then also there's a motion filed by the Chapter 7  
7 Trustee, Eric Perkins, to compel the current tenants of one of  
8 the debtor's real properties and Mr. Jean-Paul Perrault -- I  
9 thought -- is it Jean-Paul Perrault or Perrault Jean-Paul? I'm  
10 not clear on that. I thought it was Jean-Paul Perrault.

11           Well, I'm going to call him Perrault -- to turn over  
12 any rents that he has received from the debtor's property  
13 post-petition and a cross motion by Ms. Bolivar to stay the  
14 turnover motion until the motion to dismiss is decided.

15           Well, I can dispose of that very quickly, as  
16 indicated, because they are heard at the same time, so that is  
17 moot.

18           The parties in interest have filed objections and  
19 replies to the motion to dismiss. Ms. Bolivar filed the  
20 limited objection to the motion for turnover on the ground that  
21 it should not be heard of -- ahead of the motion to dismiss,  
22 and also today submitted a copy of her passport, that the Court  
23 has and has reviewed, and it's another -- it is another  
24 document that indicates signatures do not match, but, well,  
25 I'll deal with it.



1           The debtor filed this voluntary case as a Chapter 11  
2 on June 22nd, 2021, almost five months ago, over the electronic  
3 signature of Carline Bolivar, who has indicated is the -- is  
4 asserted to be the debtor's one hundred percent owner, pursuant  
5 to an operating agreement that was submitted with Ms. Bolivar's  
6 affidavit -- certification.

7           The case was allegedly filed by the Lento Law Group  
8 as its counsel, but they subsequently indicated that various  
9 documents were filed on its behalf, using its electronic I.D.  
10 without its authorization, so they were permitted to withdraw  
11 on the grounds of a very, very serious conflict with the  
12 client.

13           The debtor's primary assets are two real properties  
14 in Wisconsin, one at 229 East Eden Place in St. Francis,  
15 Wisconsin -- I'll call it the Eden Place or St. Francis  
16 property -- and 3629 South New York Avenue, Milwaukee,  
17 Wisconsin. That's the Milwaukee property, collectively of the  
18 -- and collectively refer to them as the properties.

19           The debtor filed as a single-asset real estate  
20 entity, initially, a small business, and as a Subchapter 5, but  
21 amended its schedules on July 11th to designate itself as a  
22 small business.

23           The debtor scheduled the St. Francis or Eden Place  
24 property but not the Milwaukee property and has not amended its  
25 schedules to date to include the property, although Ms.

1 Bolivar's certification does seem to indicate that there are  
2 other properties that are not accounted for on the debtor's  
3 schedule.

4           The Trustee conducted a site visit to both properties  
5 on October 13th, 2021 and noted that there was a tenant at one  
6 of the properties. The petition lists the debtor's operating  
7 address as 72 Van Reipen Street, #353, in Jersey City, and the  
8 only other scheduled assets were \$2,400 about in cash and  
9 \$1,300 in accounts receivable.

10           The Court notes that a meeting of creditors was  
11 originally scheduled for August 4th, '21 then rescheduled for  
12 August 11th of '21 and then again for September 1st, all  
13 apparently by or purportedly by debtor's counsel, but later it  
14 was determined that debtor's counsel had not made those  
15 filings, that they were instead made by Mr. Perrault using  
16 those -- using their I.D. information.

17           The case -- about two months after the case was filed  
18 on August 11th and 12th, the Trustee filed an order -- a  
19 request for an order shortening time for hearings to convert or  
20 dismiss the case on various grounds but not just the lack of  
21 insurance, but that the docket was corrupted, the case was  
22 corrupted by unauthorized filings by Mr. Perrault and the  
23 request for shortened time was made. A hearing was held on the  
24 12th to schedule those matters, and it was scheduled for the  
25 19th. No one attended on behalf of the debtor at those

1 hearings, even though they were all noticed and invited to  
2 attend on the 12th and the 19th.

3           The U.S. Trustee discovered, by independent research,  
4 that Ms. Bolivar and Mr. Perrault share a residence, 85 -- at  
5 85 Sycamore Road in Jersey City, New Jersey, and that's another  
6 fact that has not been denied by Ms. Bolivar or Mr. Perrault  
7 and is also confirmed really by papers filed with the Court and  
8 Ms. Bolivar also uses the Van Riepen Road address for the  
9 letters.

10           Mr. Perrault was the original owner of both  
11 properties. He apparently purchased the St. Francis property  
12 on December 7th, 2012 and transferred it to the debtor by  
13 quitclaim deed on February 17th, 2016 just as the City of  
14 Milwaukee was obtaining a judgment against him and the  
15 property, which a judgment was ultimately entered. The  
16 property was scheduled with a value of \$182,000.

17           Then there was the Milwaukee property that was  
18 purchased in 2003 by Mr. Perrault and transferred to the debtor  
19 by quitclaim deed on February 17th, 2016. Both the transfers  
20 were for no consideration. Again, none of that has been denied  
21 or any contrary proofs offered by the debtor.

22           As a result of the certifications and other evidence  
23 presented at the August 2, 2021 hearings, it was determined  
24 that Mr. Perrault had electronically filed the petition himself  
25 with credentials he had obtained from the Lento Law Group and

1 even though the Lento Law Group had been paid some monies for  
2 the filing and acknowledged as much.

3           Then the U.S. Trustee also noted in its original and  
4 supplemental submissions that Ms. Bolivar had not provided  
5 proper identification to the U.S. Trustee to allow her to  
6 provide testimony for the debtor at the meeting of creditors in  
7 an initial test -- in an initial debtor interview, and that her  
8 signature on the corporate resolution appeared to be different  
9 from the signature on two Wisconsin State Court documents, and,  
10 as pointed out in the -- those are documents evidencing various  
11 transfers with the same property involving Mr. Perrault.

12           So, at the conclusion of the August 19th hearing, the  
13 Court converted the case to one under Chapter 7 and also  
14 entered the order for conversion on August 19th, 2021.

15           The Court denied the retention application of the  
16 Lento Law Group, which sought to withdraw from representation  
17 by also order entered on August 19th on the basis of the basis  
18 of the improper filings by Mr. Perrault.

19           As I started out these proceedings in connection  
20 with both those matters, Ms. Bolivar sent emails to the Court  
21 on August 19th with a letter dated August 13th -- August 18th,  
22 2021 on Supportive Health letterhead that says Supportive  
23 Health has been made aware that the bankruptcy filing is in  
24 jeopardy of being dismissed because of ineffective counsel. So  
25 here -- there Ms. Bolivar's expressing concern that the case

1 will be dismissed, and now she's asking for the case to be  
2 dismissed.

3           Given the money and time that Supportive Health has  
4 already invested towards the bankruptcy, it would -- now Ms.  
5 Bolivar is claiming that the bankruptcy was unauthorized, but  
6 in her August 18th letter she's saying that the money and time  
7 has been invested towards the bankruptcy, and then again it  
8 would not be just to dismiss the bankruptcy. So, arguing that  
9 the bankruptcy should be kept in place and just asking for  
10 another 30 days to retain counsel, she -- that would put us  
11 into around September 19th. No counsel was retained. Ms.  
12 Bolivar indicates that she was looking for counsel, and no one  
13 would agree to represent the -- Supportive Health.

14           Then also on October 13th, Ms. Bolivar wrote to the  
15 Court again on the Supportive Health's letterhead that the  
16 Lento -- about the inability to find an attorney, but in there  
17 she also said -- but she's looking for an attorney to represent  
18 Supportive in the case. Again, completely contradictory with  
19 the notion that the case was -- the filing itself was not  
20 authorized.

21           And then the second paragraph says, the case was  
22 initially filed as a Chapter 11 bankruptcy to give Supportive  
23 Health LLC an opportunity to restructure its debt. Nothing  
24 wrong with that. That's what Chapter 11 filings are for.

25           The problem with the -- the problem arises from the

1 position that is now being taken that the filing was  
2 unauthorized, and this letter signed by Ms. Bolivar indicates,  
3 again, directly the contrary.

4           So, then also conspicuously absent from the  
5 submissions that -- made by Ms. Bolivar is any mention of her  
6 relationship with Mr. Perrault, even though they live at the  
7 same address, even though Mr. Perrault transferred his  
8 properties to Supportive Health for, apparently, no  
9 consideration, even though Ms. Perrault [sic] claims she  
10 contributed 366,000 to Supportive Health when the properties  
11 had already been conveyed for no consideration.

12           All these things caused a great deal of concern and  
13 pause by the Court and in -- and a real concern that another  
14 fraud is attempting to be perpetrated on the Court.

15           As noted above, the Trustee paid a site visit to the  
16 Wisconsin properties on October 13th and filed a notice of  
17 assets on the 14th and applied for a realtor to -- to retain a  
18 realtor to sell both properties. The Trustee noticed that  
19 there was a tenant at the St. Francis property and communicated  
20 with that tenant in order to have the rents turned over to the  
21 estate.

22           I should note again in that October 13th or 14th  
23 letter Ms. Bolivar said she wants more time to obtain an  
24 attorney, another 30 days. That would put us into November and  
25 there was no attorney retained, and that the debtor disputes

1 its debt to the City of Milwaukee.

2 Now, the debtor -- you know, the debtor disputes its  
3 debt, but, really, the debt arises from a claim against Mr.  
4 Perrault, and the judgment is against Mr. Perrault making the  
5 absence of Mr. Perrault from any of Ms. Bolivar's papers, which  
6 were prepared in a manner that they would be prepared by a  
7 lawyer, more in doubt.

8 Bolivar, again, as noted, nowhere in her August or  
9 October submissions to the Court did she indicate that the case  
10 should be dismissed as an unauthorized filing, and, also, Ms.  
11 Bolivar refused to submit to a 341 meeting, and the Trustee's  
12 demand for documents, again, no dispute as to that.

13 On November 2nd, Ms. Bolivar moved on behalf of the  
14 debtor, apparently without counsel, although, as I note, the  
15 papers appear to have been prepared with the assistance of  
16 counsel to dismiss the case on the grounds that she did not  
17 review the petition or authorize its filings.

18 Ms. Bolivar appears to be the one hundred percent  
19 owner of the debtor, although what remains unclear is why Mr.  
20 Perrault would have contributed to properties to the debtor for  
21 no consideration without some kind of ownership interest and  
22 why all the dealings with the property, including not just the  
23 City of Milwaukee but also the tenants, are with Mr. Perrault.  
24 In fact, the lease is with Mr. Perrault.

25 As noted, Ms. Bolivar attached to her motion the

1 debtor's August 8th operating agreement indicating a principal  
2 place of business of 85 Sycamore Road in Jersey City, which is  
3 Ms. Bolivar's residence with Mr. Perrault, and then that 72 Van  
4 Reipen Street address in Jersey City of the registered agent,  
5 that's the address also that appears on the petition.

6           The operating agreement indicates that the sole  
7 member and manager was Roderick Sanders, who contributed  
8 \$25,000 in capital while Ms. Bolivar contributed 366,000.  
9 Again, that's a lot of open questions there as to how that all  
10 occurs.

11           But, anyway, it appears that at least it's asserted  
12 now that Ms. Bolivar is this debtor's sole owner, but it's  
13 unclear how that happened or how or what was the reason for the  
14 transfer of the two properties to Mr. -- for Mr. Perrault to  
15 the debtor if for no consideration other than the -- what City  
16 of Milwaukee says, which was to attempt to avoid the collection  
17 of the judgment against Mr. Perrault.

18           Ms. Bolivar states she's been unable to obtain  
19 bankruptcy counsel because of the history of the case. That  
20 she is the creditor of the debtor, however, as we pointed out  
21 at the beginning of this hearing, she herself indicates she's  
22 an equity holder, and her investment in the debtor, which makes  
23 her an interest holder not a creditor, said she was not aware  
24 when the debtor acquired the properties from Perrault that they  
25 were subject to municipal liens, and that she has chronic



1 health issues that require treatment and leaves her bedridden  
2 and did not have a chance to review or sign the petition before  
3 its filing and was not aware of its contents.

4           Apart from those positions, Ms. Bolivar's  
5 certification contains many contradictory statements about the  
6 extent to which knew about the bankruptcy and what she wants to  
7 do with the debtor, and she says in Paragraph 18 she was not  
8 privy to the filings and was not aware of any deficiency in the  
9 filings, which is directly contradicted by her August and  
10 October communications to the Court.

11           On August 22nd, to my surprise, I received notice  
12 from the Lento Law Group that it was withdrawing from the case,  
13 also contradictory to the claim that the filing wasn't  
14 authorized. What that indicates is that the Lento Law Firm was  
15 authorized to do the filing, and she was surprised that it was  
16 withdrawing from the case, that the Lento -- again, confirming  
17 that Paragraph 23, the Lento Law Group -- the Lento Group was  
18 hired to deal with stress of bankruptcy Chapter 11, so I can  
19 reorganize the debt of my company and reduce stress. Again,  
20 completely contradictory.

21           Then also argues that because the Lento Law Group did  
22 not file the petition, it should be dismissed, but that was --  
23 that issue was really raised at the beginning of the case in  
24 offense and that the reason for the Trustee's motion -- the  
25 principal reason for the Trustee's motion in addition to the

1 insurance, which now apparently is in place either through the  
2 debtor or the trustee or both, that they were unauthorized  
3 filings.

4           There was an attempt to do the bankruptcy filing and  
5 then for whatever reason, the -- Mr. Perrault went around the  
6 Lento Law Group and, therefore, was allowed to withdraw, and  
7 the Chapter 7 Trustee was appointed.

8           Ms. -- despite again what was said at the beginning  
9 of the hearing by Ms. Bolivar, she says the debtor has the  
10 ability to repay its actual debt in full right now, but there's  
11 no proof of that. There's no papers, no bank accounts, no  
12 anything, unless there are things that weren't disclosed in the  
13 petition, and she -- and then again, in Paragraph 34 it kind of  
14 in concluding the debtor should be given an opportunity to file  
15 a new Chapter 11 bankruptcy with competent legal  
16 representation.

17           So, you know, the -- let's just disregard all that  
18 happened before, make believe it didn't happen, and then file a  
19 new case that at some point in the future undetermined.

20           And she also complains that the -- that there are  
21 unidentified assets, which she -- that she should have  
22 supplemented when she should have provided to the Trustee but  
23 refused to do so either in documents or appearing at the 341,  
24 and she complains that the Lento Group did not perform the  
25 services for which it was hired, which was to file the

1 bankruptcy petition.

2           The Trustee filed a short -- filed objections on  
3 November 30th and December 3rd, 2021, that the -- with the  
4 December 3rd letter, including a letter from city council for  
5 the City of Milwaukee, explaining its long history with the  
6 debtor, Perrault, and even Ms. Bolivar with respect to  
7 notarization of various documents relating to the property.

8           The City indicates that Mr. Perrault is the owner of  
9 the St. Francis property, incurred certain municipal charges,  
10 and -- on several Wisconsin properties, and after the City  
11 filed a complaint against Mr. Perrault, he transferred the  
12 property to the debtor, after the -- the City filed a complaint  
13 in January of '16. He transferred the property to the debtor  
14 for no consideration on February 17th, 2016 by quitclaim deed,  
15 money judgment was obtained on 61 -- for 61,624.29 against Mr.  
16 Perrault in March of '16, and then there was a foreclosure  
17 action when -- after the City learned of the transfer to the  
18 debtor in November of 2017 against the -- Mr. Perrault and the  
19 debtor.

20           The City notes that Ms. Bolivar notarized at least  
21 three documents related to the St. Francis property in 2012,  
22 '16, and '18, with a notary stamp that perpetually stated  
23 expired in September of 2019, even though notary stamps in New  
24 Jersey are generally good for five years -- only five years,  
25 and the money judgment is now at 79,782, which the debtor

1 scheduled at a higher number.

2           Again, Ms. Bolivar argues that the case should be  
3 dismissed as an unauthorized filing, that she did not sign the  
4 petition of schedules, and she can't continue without  
5 representation through counsel, although that is addressed in  
6 many ways by the Trustee being in place and safeguarding the  
7 property of the estate for the benefit of creditors and to the  
8 extent there's equity interest holders.

9           The -- as indicated, I -- the Court finds that the  
10 statements that the filing was unauthorized are repeatedly  
11 contradicted by Ms. Bolivar's own statements and actions and  
12 appear to be a new version of events created for -- to support  
13 the dismissal. There is simply no way the Court can dismiss  
14 the case under those standards -- under those circumstances.

15           The Trustee cites In Re Jong Hee Kang, 467 B.R. 327  
16 at 335, which provides that the right to dismiss under 707(a)  
17 is not an -- is not absolute and the debtor must establish  
18 cause. The overarching concerns are good faith of the debtor  
19 and prejudice to creditors.

20           There's another standard, In Re Turpen. Set forth in  
21 In Re Turpen, 244 B.R. 431 at 434, Bankruptcy Appellate Panel,  
22 8th Circuit (2000), which has a six-factor test to determine  
23 whether to grant voluntary dismissal of a Chapter 7 case, which  
24 is -- separates a lot of what's in the Jong Hee Kang test, but  
25 whether all creditors have consented, that the answer to that

1 is no.

2 Milwaukee wants the case to continue in Chapter 7,  
3 whether the debtor is acting in good faith. That's in both --  
4 a factor in both cases, and I have no ability to find the  
5 debtor's acting in good faith. I do see many indices of bad  
6 faith, and I don't -- and I'm not going to have our courthouse  
7 and our court used for those types of purposes.

8 Whether dismissal may result in prejudicial delay to  
9 payment of creditors, it seems like that's the purpose of this,  
10 that's been going on since 2016, five years, to delay the  
11 payment to the City of Milwaukee.

12 Whether the dismissal would reorder creditor  
13 priorities, it would have no effect, so that's not applicable.

14 Whether there's another proceeding to which creditor  
15 claims could be handled. There is the Milwaukee case, but  
16 that's been stalled for years by motions for reconsideration  
17 and vacating judgments, now this bankruptcy. So that's  
18 neutral.

19 Whether the debtor moved for dismissal on the face of  
20 pending litigation. Here there's an application to turn over  
21 the rents, and the debtor's moving after having received the  
22 benefit of the stay and invoking the Bankruptcy Court's  
23 jurisdiction under -- with the prior filing, which Ms. Bolivar,  
24 I find her statements in her letters, even though she indicates  
25 now she didn't send them, to be directly contradictory, and I

1 just -- I'm not -- I have no way to determine that those are  
2 letters that weren't sent by her, although if they were sent by  
3 Mr. Perrault, they would certainly -- at least a possibility  
4 that it was done knowingly, and again, the omission of Mr.  
5 Perrault from Ms. Bolivar's papers, as they say, the silence  
6 speaks volumes.

7           Further, the debtor has a duty to disclose and  
8 correct the schedules under 521(a), and she has refused to do  
9 so. So, that's more evidence of bad faith.

10           So, in this case, all those factors militate against  
11 dismissal under the two tests I cited, but I'm also holding  
12 that the debtor is equitably estopped from disavowing the  
13 petition, because the debtor retained certain benefits of the  
14 bankruptcy or may be deemed to retroactively have ratified the  
15 petition through the bankruptcy case.

16           And for that I cite In Re Willis where a debtor was  
17 alleged to -- a debtor's Chapter 13 case was alleged to have  
18 been filed without a signature and -- but, however, the  
19 creditor began filing stay relief motions, which the debtor  
20 opposed, and a motion to dismiss and convert was filed, which  
21 was granted.

22           And so -- and the debtor moved to reconvert to  
23 Chapter 13, so the Court said, even when she moved to dismiss  
24 and they're -- saying she never authorized the position or the  
25 conversion of the case, the debtor -- the Court denied the

1 dismissal, and the debtor appealed. That's 345 B.R. at 649 to  
2 650.

3 And the -- on the appeal, the Bankruptcy Court -- the  
4 District Court -- I'm sorry -- the Appellate Panel affirmed the  
5 denial of the debtor's motion to dismiss finding she was  
6 collaterally -- the debtor was collaterally estopped from  
7 rejecting the petition after she waited six months to make an  
8 issue of the unauthorized filing, received the benefit of the  
9 stay, and had made submissions to the Court without addressing  
10 the alleged unauthorized nature of the petition and generally  
11 manifested a disrespect to creditors, all of which appear to be  
12 present here or are present here.

13 And, similarly, In Re Segal, 527 B.R. 85 at 88  
14 Bankruptcy Eastern District of New York (2015), appeal  
15 dismissed 557 B.R. in 2016, the debtor -- the Bankruptcy Court  
16 denied the debtor's motion to dismiss a Chapter 7 petition that  
17 he did not sign, but his attorney electronically signed for him  
18 to -- so as to prevent a foreclosure sale.

19 The trustee began to investigate the asset, requested  
20 documents, and moved to sell the debtor's property. The debtor  
21 then moved -- objected and attended a sale hearing but still  
22 didn't tell the Court that he believed the petition should be  
23 dismissed as unauthorized. The debtor was also ordered to  
24 comply with his duties as a debtor, but the debtor refused to  
25 do so and then moved to dismiss.

1           The Bankruptcy Court determined the debtor did not  
2 authorize original counsel to place them in bankruptcy, and  
3 that but, nonetheless, the debtor ratified the petition by  
4 voluntarily signing an amended petition and participating in  
5 the case, and that the debtor was equitably estopped from  
6 denying the petition, because he tended to reap the benefit of  
7 any stay to prevent a foreclosure sale, and the Trustee  
8 expended substantial resources in administering the case before  
9 the debtor moved to dismiss. 527 B.R. at 93.

10           Here, there is similar lapses that -- there's been  
11 about four months from the petition date to the motion to  
12 dismiss, and here those factors are very much present in all of  
13 them. There's -- as the case has been pending for five months  
14 before the unauthorized filing was alleged. There are numerous  
15 prior indications that the filing was, in fact, authorized and  
16 -- including statements by Ms. Bolivar herself and the  
17 relationship between Ms. Bolivar and Mr. Perrault. So for all  
18 those reasons, the Court is denying the motion to dismiss.

19           The only opposition to the Trustee's turnover motion  
20 was that it should await the dismissal -- the dismissal motion,  
21 which we now have done, and other than that, there's no  
22 opposition. And, as I noted, the lease is with Mr. Perrault  
23 not the debtor, so further demonstrating the very close  
24 relationship between Mr. Perrault and the debtor's St. Francis  
25 property.



1           There's a 12-month residential lease commencing on  
2 March 1st and expiring on February 28th, 2022, in which Patrick  
3 and Jennifer Newbury are lessees. The Trustee argues that the  
4 lease should be deemed void ab initio and that the rent should  
5 be turned over to the Trustee.

6           I don't know why the lease would be deemed void ab  
7 initio, and, certainly, the Newbury's, you know, should -- had  
8 no knowledge of any or there's no indication that they had any  
9 knowledge of this, but I do agree that the rent should be  
10 turned over to the Trustee as property to the estate.

11           The Trustee indicates that he advised the tenant of  
12 the Trustee's position in October, and that the tenant agreed  
13 to turn over but asked for a court order to protect the  
14 Newbury's from Mr. Perrault attempting to file an eviction  
15 action for non-payment, and that the Trustee also seeks to turn  
16 it into a short-term use and occupancy agreement. That the  
17 Trustee can do in his discretion subject to, you know, whether  
18 the Court approval is acquired -- required. I'm not going to  
19 say that. It seems like it might be in the ordinary course but  
20 might as well -- if the Trustee is entering into a new  
21 agreement, might as well just submit it to the Court for  
22 approval.

23           The Trustee is going to continue to market the  
24 property but not close the sale until after the debtor -- the  
25 Newbury's tenancy is terminated, and, you know, there's clearly

1 -- the rents are property of the estate under the broad  
2 definition of property of the estate of -- under 541, and  
3 therefore, they should be turned over to the Trustee.

4 That's the Court's ruling. Mr. Baumgartner, the --  
5 you have submitted an order. Can you -- well, we'll do the  
6 order denying the motion to dismiss for the reasons set forth  
7 on the record. I might have some small changes to the form of  
8 order that you submitted just by way of just clarifying  
9 changes, and that's it. That's the Court's ruling.

10 MS. BOLIVAR: Excuse me --

11 MR. BAUMGARTNER: Thank you, Your Honor.

12 MS. BOLIVAR: -- Your Honor?

13 THE COURT: Yes?

14 MS. BOLIVAR: Hello?

15 THE COURT: Yes.

16 MS. BOLIVAR: Excuse me, Your Honor.

17 THE COURT: Yes.

18 MS. BOLIVAR: May I say something?

19 THE COURT: Yes.

20 MS. BOLIVAR: I can pay the debt that's due.

21 THE COURT: Yes, well --

22 MS. BOLIVAR: I would like maybe to pay the debt --

23 THE COURT: Yes.

24 MS. BOLIVAR: -- to avoid any further complication or  
25 liquidation.

1 THE COURT: Yes, so --

2 MS. BOLIVAR: I am (indiscernible), sir, and I would  
3 like to be left without -- you will leave me without any source  
4 of my livelihood.

5 THE COURT: Well, so, here's the thing, Ms. Bolivar.  
6 As I noted, you said that, but you didn't provide any proof of  
7 that, and, certainly, if you want to pay the debts, but there's  
8 going to be administrative expenses of the Trustee in the  
9 interim, you can do that.

10 There's no problem with doing that, and, you know,  
11 then the creditors might consent that there might -- but you  
12 should talk to the Trustee about that. Just -- you know,  
13 that's what the -- the Trustee is in control of those  
14 properties now. So, you know, you can -- and you can still get  
15 yourself an attorney, and you can still -- that attorney can  
16 move to do whatever they want to do, but you can get an  
17 attorney for yourself, you know, personally if you're having  
18 trouble with getting attorneys to represent this debtor, which,  
19 you know, is not -- I'm not completely shocked that -- to hear  
20 you say that, because there's a very bad history here.

21 So, you know, you can -- like I said, you can pay it  
22 -- you can always pay your debts. There's no problem with  
23 paying debts, and if you have the means to do so, then that's  
24 up to you, and you should go ahead and either talk to the  
25 Trustee or get an attorney to talk to the Trustee, and take

1 care of it. Okay?

2 MS. BOLIVAR: Your Honor, what about the disputed  
3 debt?

4 THE COURT: Well, I mean, the disputed debt -- you  
5 know, there's a judgment. I don't know. I don't know what to  
6 say. You know, the -- it's -- I don't know what debt you're  
7 talking about paying then. What debt are you going to pay?

8 MS. BOLIVAR: Everything minus 80,000.

9 THE COURT: But what is everything? I don't even  
10 know what it is. I don't know who all the creditors are. I  
11 don't -- and I don't know what the basis is, is not to pay the  
12 pay the City of Milwaukee. I don't know, and that would  
13 contribute to, you know, whether it -- that would contribute to  
14 whether the dismissal would be appropriate.

15 In other words, generally speaking, if a debtor pays  
16 all its debts, that would probably be a good reason to dismiss  
17 the case, but if it doesn't, then the creditor whose not going  
18 to be paid is going -- likely to object, so then you end up  
19 staying in the bankruptcy.

20 MS. BOLIVAR: Your Honor, Milwaukee is the only  
21 creditor in the case.

22 THE COURT: Well, I don't know that. There's also a  
23 law firm that's a creditor. I just don't know. I don't know.

24 MR. BAUMGARTNER: Your Honor --

25 MS. BOLIVAR: Your Honor --

1 MR. BAUMGARTNER: -- the IRS filed a proof of claim  
2 for 28,000.

3 THE COURT: Who did?

4 MR. BAUMGARTNER: The IRS.

5 THE COURT: Yes, then the IRS filed a proof of claim,  
6 so, you know, I think you need to -- like I said, you might  
7 want to get an attorney to represent you in this, Ms. Bolivar.  
8 I feel like you've been talking to an attorney, and maybe that  
9 attorney will represent you instead of representing the entity.

10 MS. BOLIVAR: Thank you, Your Honor.

11 THE COURT: Okay. Here's the thing. You can't have  
12 it every which way. You got to make some decisions. You can't  
13 have it both ways.

14 You can't have the bankruptcy filing and then dismiss  
15 it -- and then seek to dismiss it unless, you know, that you  
16 meet certain standards.

17 You can't say you're going to pay all the debts and  
18 then say you're not going to pay them. You got to decide which  
19 one it is. Okay?

20 Thank you. Have a good afternoon.

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C E R T I F I C A T I O N

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/s/ Joy K. Brennan

JOY K. BRENNAN

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